

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
August 11, 2021

Shiloh Terrace, located at 6011 Shiloh Road and 6035-6050 Old Redwood Highway in Windsor, requested and is being recommended for a reservation of \$3,838,084 in annual federal tax credits and \$9,807,392 in total state tax credits to finance the new construction of 133 units of housing serving large families with rents affordable to households earning 30-70% of area median income (AMI). The project will be developed by CRP Affordable Housing and Community Development CA LLC and will be located in Senate District 2 and Assembly District 2.

The project financing includes state funding from the MIP program of HCD.

Project Number CA-21-570

Project Name Shiloh Terrace
 Site Address: 6011 Shiloh Rd and 6035-6050 Old Redwood Highway
 Windsor, CA 95492 County: Sonoma
 Census Tract: 1538.09

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$3,838,084	\$9,807,392
Recommended:	\$3,838,084	\$9,807,392

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Applicant Information

Applicant: Central Valley Coalition for Affordable Housing
 Contact: Christina Alley
 Address: 3351 "M" Street, Suite #100
 Merced, CA 95348
 Phone: (209) 388-0782
 Email: chris@centralvalleycoalition.com

General Partner(s) or Principal Owner(s): CRP Shiloh Terrace AGP LLC
 Central Valley Coalition for Affordable Housing
 General Partner Type: Joint Venture
 Parent Company(ies): CRP Affordable Housing and Community Dev.
 Central Valley Coalition for Affordable Housing
 Developer: CRP Affordable Housing and Community Dev.
 Bond Issuer: CalHFA
 Investor/Consultant: CREA
 Management Agent: Hyder Property Management Professionals, LLC

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 2
 Total # of Units: 134
 No. / % of Low Income Units: 133 100.00%
 Federal Set-Aside Elected: 40%/60% Average Income
 Federal Subsidy: Tax-Exempt

Information

Housing Type: Large Family
 Geographic Area: Northern Region
 TCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting</u> <u>Number of Units</u>	<u>Percentage of</u> <u>Affordable Units</u>
30% AMI: 14	11%
50% AMI: 14	11%
60% AMI: 49	37%
70% AMI: 56	42%

Unit Mix

6 2-Bedroom Units
128 3-Bedroom Units
<u>134 Total Units</u>

<u>Unit Type</u> <u>& Number</u>	<u>2021 Rents Targeted %</u> <u>of Area Median Income</u>	<u>Proposed Rent</u> <u>(including utilities)</u>
4 2 Bedrooms	70%	\$1,832
1 2 Bedrooms	50%	\$1,308
1 2 Bedrooms	30%	\$785
52 3 Bedrooms	70%	\$2,117
49 3 Bedrooms	60%	\$1,815
13 3 Bedrooms	50%	\$1,512
13 3 Bedrooms	30%	\$907
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$5,550,000
Construction Costs	\$47,975,449
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$2,473,772
Soft Cost Contingency	\$609,875
Relocation	\$204,437
Architectural/Engineering	\$1,830,300
Const. Interest, Perm. Financing	\$4,479,596
Legal Fees	\$420,000
Reserves	\$789,488
Other Costs	\$6,731,906
Developer Fee	\$9,627,300
Commercial Costs	\$0
Total	\$80,692,123

Residential

Construction Cost Per Square Foot:	\$286
Per Unit Cost:	\$602,180
True Cash Per Unit Cost*:	\$551,384

Construction Financing

Source	Amount
Citi Construction Loan (Tax Exempt)	\$42,808,977
Citi Construction Loan (Taxable)	\$22,800,000
Deferred Costs	\$9,659,099
Tax Credit Equity	\$5,424,047

Permanent Financing

Source	Amount
CalHFA Permanent Loan	\$28,262,068
CalHFA MIP	\$3,900,000
Deferred Developer Fee	\$6,806,614
Tax Credit Equity	\$41,723,441
TOTAL	\$80,692,123

*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,838,084
Total State Credit:	\$9,807,392
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,627,300
Investor/Consultant:	CREA
Federal Tax Credit Factor:	\$0.86991
State Tax Credit Factor:	\$0.84992

Except as allowed for projects basing cost on assumed third party debt, the “as if vacant” land value and the existing improvement value established at application for all projects, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Significant Information / Additional Conditions

The project cost is estimated at \$551,384. the applicant noted the costs are attributed to it's location, development impact fees, and offsite costs.

Resyndication and Resyndication Transfer Event: None.

Standard Conditions

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a reservation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

CDLAC Additional Conditions

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the TCAC placed in service review, TCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.